
A BILL FOR AN ACT

RELATING TO SMALL BUSINESS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that as the national and
2 state economies struggle to regain momentum, businesses face a
3 continuing shortage of capital. This is a problem for small
4 businesses in particular, as even under optimum economic
5 conditions, they do not have the same financial resources
6 available in the form of loans or other funding options.

7 In 2010, the senate committee on economic development and
8 technology and the house committee on economic revitalization,
9 business, and military affairs convened an informal small
10 business discussion group to address the most critical issues
11 facing the small business sectors within Hawaii's economy.
12 Representatives from the Chamber of Commerce of Hawaii,
13 construction and trades industries, community nonprofit
14 organizations, the agricultural sector, food and restaurant
15 industries, retailing, the science and technology sector, the
16 commercial transportation industry, and interested stakeholders
17 developed a package of bills that addresses the most pressing
18 problems facing Hawaii's small business community.

HB367 HD1 HMS 2011-1879



1 The purpose of this Act is to support the findings of the
2 small business working group and recommendations to assist
3 Hawaii's small business concerns by providing funding for the
4 department of business, economic development and tourism's
5 capital loan program in an annual amount equal to loan
6 repayments made by existing beneficiaries. This Act also
7 reestablishes the Hawaii capital loan revolving fund to allow
8 the program to make loans and collect interest and principal
9 payments.

10 SECTION 2. Chapter 210, Hawaii Revised Statutes, is
11 amended by adding a new section to be appropriately designated
12 and to read as follows:

13 "§210- Hawaii capital loan revolving fund; established.

14 There is established in the state treasury the Hawaii capital
15 loan revolving fund into which shall be deposited:

- 16 (1) All moneys received as repayment of loans and interest
17 payments as provided in this chapter;
18 (2) Legislative appropriations; and
19 (3) Other funds that are made available.

20 Funds in the Hawaii capital loan revolving fund shall be used to
21 make loans as provided for in this chapter; provided that a



1 portion of the funds may be used to administer the Hawaii
2 capital loan revolving fund and the capital loan program."

3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$100,000 or so much
5 thereof as may be necessary for fiscal year 2011-2012 and the
6 same sum or so much thereof as may be necessary for fiscal year
7 2012-2013 for the capital loan program established pursuant to
8 chapter 210, Hawaii Revised Statutes.

9 The sums appropriated shall be expended by the department
10 of business, economic development and tourism for the purposes
11 of this Act.

12 SECTION 4. This Act shall take effect on July 1, 2112.



Report Title:

Small Business; Capital Loan Program; Appropriation

Description:

Appropriates funds for the capital loan program established under chapter 210, Hawaii Revised Statutes. Re-establishes revolving loan fund for the program. Effective July 1, 2112.
(HB367 HD1)

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